

[Shri D. P. Karmarkar.]

While I was listening with very great interest to what fell from my esteemed colleague, I remembered three years back a deputation on behalf of a responsible society waiting upon the then Commerce Minister—Shri Sri Prakashji—which wanted to stop all this nonsense—they did not say nonsense—the banning of cosmetics for instance. They said the cosmetics that were manufactured in this country harmed the skin rather it helped. In justification of their demand they said that we ought to test their quality and utility. Recently we have made some liberalisation on cosmetics and other luxury articles but the liberalisation is very small compared to the whole of our foreign exchange and it will not make it possible for large quantities to come in. So I think there is an immense field for creating public opinion rather than trying to fetter people's tastes in such matters by any coercive legislation. And that is the reason why Government feel it impossible to place restrictions on art silk. It is much better for us to promote the use of silk, to enlarge its production and to make it popular in more and more centres than to ban art silk completely. Art silk is being produced in our country and may be in a sizeable time we might become self-sufficient in respect of art silk.

Now Sir, there was a point made by my esteemed friend on my right asking me to remove all restrictions. I wonder what restrictions he refers to. Anyone is welcome to grow any number of cocoons and produce any amount of raw silk. We have not placed any restriction on that except of course where it is a question of spreading disease through cocoons. That, of course, is necessary for the proper propagation of seed-cocoons and development of the industry as a whole. So, Sir, I could not follow what he said, because at the present moment there are no restrictions at all. So far as actual production is concerned I am sure his efforts—particularly of my colleague, wherever he goes he preaches the cause of silk—

will have a proper effect. Except those who are wedded to art silk these days others will certainly follow his advice.

SHRI D. NARAYAN: Why not define silk?

SHRI D. P. KARMARKAR: Yes, there was a point made about that. There is something in that, I must say. We shall have the matter considered—just to define silk in a manner so as to separate it completely from the notion of art silk. There again, I am afraid, Sir, that people who buy know the stuff that they are buying. It is not because a particular thing is called art silk that they are buying it and it is not that if there were a correct definition of silk by legal enactment that people would cease to buy what is known as art silk or what might be known as rayon. If tomorrow we make it impossible for rayon to be called art silk, I am afraid the number of purchasers of rayon—to begin the use of the word from now on—would be about the same. There is the other question of adulteration. That is an offence under the present law. People do not wait for the amendment of a definition to commit an offence. My hon. friend appreciates that, I am sure, very nicely. But still, in order to remove the psychological effect, if any, that the term 'art silk' might have, we shall have the matter considered and looked into.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill be passed."

The motion was adopted.

#### THE COLLECTION OF STATISTICS BILL, 1952.

MR. DEPUTY CHAIRMAN : We will now take up the Collection of Statistics Bill.

THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR): Sir, I beg to move:

"That the Bill to facilitate the collection of statistics of certain kinds relating to industries, trade and commerce, as passed by the House of the People, be taken into consideration."

Sir, as hon. Members themselves are already aware, there was an enactment, the Industrial Statistics Act of 1942, which enabled us to collect and publish, if necessary, the statistics relating to industries. I am sure that hon. Members are also aware of the publication about industrial statistics which has served a fairly useful purpose. But, Sir, we felt that in these days when we have to exercise an intelligent economic control, a power merely in respect of industries would not be sufficient. Commerce is also an equally important subject and therefore we thought it fit to extend the range of the powers that we had already under the statute referred to and this Bill does nothing more than adding the field of commerce also to the field of industry. We seek the same powers of making a collection of statistics and in fact this present measure is almost a replica of the old measure excepting that this relates to both—commerce and industry. I need hardly take the time of the House by enlarging or dilating on the utility of such a measure. As days pass, we grow conscious of the great importance of statistics in the cause of economic development. Whether it is a matter of foreign exchange or whether it is a matter of import and export control or whether it is a matter of development of industries—large and small scale—in any sphere of economic activity unless we have correct statistics, we cannot base sound conclusions on given data and these statistics are also useful in making a periodical review of the progress made in different situations. Incidentally, some time back when we wanted statistics relating to employment of non-nationals in the concerns here, we found ourselves faced with some difficulty. We could not compel them to give us such information under any

law as such, nor did we want to take any coercive measures. But we found there was a lacuna in the law which was rather unsatisfactory. We should be in a position at any given time to invite the information on relevant topics both in relation to industry, as also in relation to questions concerning commerce, and therefore, Sir, this measure has been put before this hon. House for its acceptance.

Now, as I said, this Bill will replace the Industrial Statistics Act of 1942. That Act empowered the Provincial Governments to collect statistics only with regard to factories. The Bill now before the House, as I said, is wider in scope and gives powers to the Central Government as well as the State Governments to collect statistics with regard to any matter concerning any industry or class of industries, commercial or industrial concerns including factories, welfare of labour, conditions of labour etc. In other words, this Bill closely follows the pattern of the Industrial Statistics Act of 1942 which has well stood the test of time. The appropriate Government will make the necessary rules under clause 14 of the Bill for purposes of carrying out the objects of the Bill. Sir, clause 12 gives power to the Central Government to give directions to the State Governments as to the carrying into execution of this Act in the State.

As I said earlier, I do not propose to take the time of the House by dilating in detail on the provisions of this Bill as the pattern of this Bill follows that of the old Act. Similar powers are being sought and the principal change now being made is that the field of our enquiry and collection of statistics is sought to be enlarged. In our modern economic life, as I said, and as the House will doubtless agree, statistics are the best source of correct governmental actions, as also in the matter of guiding public opinion. For instance, I might mention that the United States of America, for particular periods, have the means of collecting all the information relating to the retail trade etc. So it is very use-

[Shri D. P. Karmarkar.]  
ful in matters relating to trade. Now at the present moment we may not be able to go so far, but certainly we should be able to go as far as we can in the matter of proper collection of statistics. Statistics strengthen our studies and promote correct conclusions in respect of our economic problems.

Sir I beg to move.

MR. DEPUTY CHAIRMAN: Motion moved:

"That the Bill to facilitate the collection of statistics of certain kinds relating to industries, trade and commerce, as passed by the House of the People, be taken into consideration."

SHRI B. C. GHOSE (West Bengal):  
Sir, as the hon. Minister has stated, the object of the Bill is to give powers to the Government to enable them to collect industrial and commercial statistics, and obviously these statistics can be put to several uses and also form a basis for formulation of policies. One such useful use to which the statistics can be put, and to which reference has also been made in the Statement of Objects and Reasons, is a matter which was also the subject of lively discussion in the recent past, namely, the question of the employment of Indians in foreign-owned and foreign-controlled companies. I am aware, Sir, that this is not the sole purpose of this Bill but it is also a very important purpose which can be achieved if action is taken on the basis of information that may be collected on the strength of this Bill.

Now this question of employment of Indians in foreign-controlled and foreign-managed firms, on which I want to say a few words, has many facets. First there is the question of Indianisation. It is quite natural that we should want that more Indians should be employed in executive and technical posts in these foreign com-

panies and it was very helpful that the Government took up an attitude which assisted the attainment of that purpose, because the Government made it known, both in Parliament and outside, that they favoured a policy of progressive Indianisation of the higher executives in foreign firms. There are various ways by which that objective can be attained. As the hon. Minister concerned must be fully aware, our neighbouring countries like Pakistan and Ceylon have taken recourse to some legislative measures to achieve that object. Here in India we have relied more upon persuasion than upon compulsion. And I endorse the policy that has been pursued here to gain that objective. It is much better to have our object achieved by friendly advice given to these companies and by persuasion. Unfortunately, Sir, that purpose is not furthered by the attitude of mind that is revealed in a recent article in the July issue of a journal called "The Cable", which is the House Magazine of the Birds & Heilgers Group, and which happens to be one of the most important British managing agency firms and may be said to echo the views of what was once known as Clive Street. It is stated on page 4:

"We should make it clear that we do not intend, nor do we believe that it is compatible with maintaining the organisations' British character,....."

I should underline the words "the organisations' British character":

".....to Indianize our covenanted staff completely, and therefore it is essential that recruitment of young British general assistants, apart from technicians, should continue. If British business houses as a whole should ever be debarred from continuing such recruitment, it would undoubtedly be a factor inclining certain firms to sell out, which, in our opinion, would not benefit the community as a whole and we believe would be welcomed least of

all by the Indian staff in British firms."

What I object to in this statement is what may be called the implied or covert threat that, if their policy is not endorsed, they may close down. I should like the Government of India to state here categorically that they are not going to be deflected from the policy, that they have stated they would pursue, by such implied or covert threat. The hon. Minister stated in the other House that we were not against British firms or foreign capital so long as Government have their say in the matter. I hope that whatever is necessary to implement that policy will be done irrespective of what might be considered to be the opinions of these British firms. That should be made clear.

The second aspect of this Indianization is the question of discrimination. It is not merely a question of the appointment of more and more Indians to the higher executive posts in these British firms or foreign firms but it is also a question of the difference in treatment as between employees of the same status in the same firm. In this same article, the point has been made out that it is quite natural that those whom foreign companies draft from abroad or from Great Britain should be paid a higher salary in the form of an overseas pay. I am quite willing to admit that point, but apart from what may be considered to be necessary to give an allowance of the nature of an overseas pay, there should be no other discrimination in treatment, for example, in regard to allowances and other facilities like giving of transport or sitting accommodation and so forth which, although they may appear to be trivialities, may be very galling to the persons actually so differentially treated. I should like the Government to say here clearly that they do not favourably consider propositions of this nature where Indians are treated on a differential basis apart from what may be considered necessary to give a higher

salary in the nature of an overseas pay. And I should like the Government to say that they would prefer that the salaries should be the same, but, as used to be the case with regard to the I.C.S. previously that, whoever were recruited from Great Britain were given an overseas pay which was shown separately, so also in the case of the Indians and non-Indians employed in foreign firms, the basic salary may be the same, but that an overseas pay may be fixed for those recruited abroad.

The third aspect in this connection is the question of victimisation. The hon. Minister may be aware that certain Indians were victimised. I believe he has also received certain representations from such Indians. I quite appreciate the point of view of the Government when they say that they cannot actively intervene in these matters and take up these cases and say that they themselves would investigate these cases in which there has been victimisation, but at the same time what I should like the Government to do is to say that they would like that such cases of victimisation should be reviewed by the companies themselves and treated in a very sympathetic manner, because I am sure that, if the Government merely make a declaration of their policy or wish to the effect that they desire that the cases of victimisation should be reviewed by the companies themselves without any intervention on the part of the Government, then also something may be done for those gentlemen who have been victimised.

Sir, I do not want to say anything more on the question of Indianization in foreign firms, but there are two or three points that I should like to make upon the Bill itself. The first is about the collection of statistics. The hon. Minister may be aware of the inconvenience caused to industry and commerce when statistics are called from establishments, whether industrial or commercial, by various agencies of Government. That creates not

[Shri B. C. Ghose.]

only confusion but it also entails cost, and it is necessary that we should try, as far as we possibly can, to reduce costs of the trader or the manufacturer. I would like to ask the Government whether they do not consider it possible that these authorities should be centralised, and that, when they approach an industrial or commercial establishment, only one authority should approach them for all kinds of information. They may have subdivisions within their Departments or sub-Departments, but I should like to suggest that it will be very helpful to industry and commerce if only one agency asks for all kinds of information. Today many agencies call for information. The Factories Department under the State Governments ask for information. The Supplies and Industries Department ask for information. The Labour Department ask for information, and there are various other Departments, and it creates trouble and inconvenience and is responsible for higher costs, and as the idea is to try to achieve lower costs, I think the Government should come forward to help, and industry and commerce would be grateful to Government if they could bring about rationalisation in this matter.

The second point is about the use to which such statistics are likely to be put. I should like to have some idea from the Government as to whether they have considered as to what information they are going to publish after they collect such statistics and what use they are going to make of them. Will they be simply lying in the Departments or are they going to make them available in suitable form for the assistance of the public or students of economics or research students? Before they come to any decision on that point, it might be helpful to take the opinion of those who are interested in these subjects as to the form in which the information should be provided and may be useful for the various kinds of people.

The third point is about the form in which the information is to be collected, and that is very important. Here under the rules the Government are going to adopt some form, the form in which the various types of information will have to be given. As the hon. Minister may be aware, there was some difference of opinion, on the question of the extent of Indianization in foreign firms, on account of the form in which the information was collected. His attention might have been drawn to the fact that by asking for information in the form in which it was asked, the Government were in fact assisting those foreign firms, because they could conceal the information that was necessary in order to assess that very question of how far Indianization had been given effect to. Therefore I should like to suggest to the hon. Minister that before the form is finalised, he should consult and take the opinion of the persons who may be interested in it. Further I would like to suggest that before finalising the form, he might publish it in the interim stage in the Official Gazette and ask for opinions if any further addition or modification is necessary in that form so that nobody may have any grievance that the Government of India were assisting particular interests in the matter of the form in which information was sought to be collected.

SHRI S. N. MAZUMDAR: (West Bengal): Mr. Deputy Chairman, Sir, the hon. Minister in his opening speech has only incidentally referred to the fact that on a previous occasion when the Government of India requested foreign firms in India to provide information as regards the employment of Indians, the response was not very satisfactory. I hold that this matter is very important. In fact, on a previous occasion I raised this question about the Indianization of the services in the foreign firms. Government is not taking a very satisfactory stand. As regards providing information, I understand that out of nearly 1,600 foreign firms in India only a thousand

perhaps cared to reply and the replies too were not accurate and there are no means to check the accuracy of the information. My hon. friend Mr. Ghose also referred to this matter but on one point I cannot agree with him. I don't think that friendly persuasion from the side of the Government is sufficient in this respect. In fact he has referred to a memorandum which was published some months back by the executives engaged in foreign firms in which attention of the Government and the public was drawn to conditions of service and the treatment which our fellow countrymen receive in this foreign firms. In fact, that memorandum characterised these foreign firms as so many little South Africas on Indian soil. About the differential treatment—rather discriminatory treatment—which Indians receive there, my friend has dealt with. I do not like to take much time of the House in going into its details. But in some matters I must draw the attention of the Government. I mentioned previously also that in tea gardens when the British companies were shouting hoarse that they were passing through a crisis, junior assistant managers were being imported from England on high salaries whereas Indians were getting very bad treatment at their hands. There are numerous such examples. So friendly persuasion is not sufficient in this matter. Government should take up this matter very seriously and enquire into the conditions mentioned in that memorandum.

Secondly, I would like to say that the purpose for which these powers which the Government are taking should be clearly defined. For example, this information about the employment of Indians is not sufficient. There are many many important questions on which information is necessary but that information is lacking. For example, I put a question to the Commerce Ministry in the last winter session about the total amount of profit earned by the British tea companies in India for all this time, say

even for a short period of 20 years, and also the amount of remittances abroad. The Commerce Minister was not in a position to reply to that. But that is very important. My friend Mr. Kakkilaya also put a question in the first session to the Finance Minister asking for information regarding the capital invested and the profit earned and remittances sent abroad by the gold mining company of Kolar gold fields, Mysore, and the Finance Minister promised to collect the information and lay it on the Table of the House, but that has not been done as yet. I do not know whether Government were earnest in that matter but supposing that Government were in earnest, then also this question would creep in that there are no powers to compel these foreign companies to lay all the relevant information before the Government. Actually it happens that even before the Industrial Tribunals these firms refuse to lay any information about the accounts on various pretexts. I shall cite an example. The Commonwealth Trust Limited, which has a number of factories, dyeing, hosiery and textile mills, engineering works, etc., in the western coast of Madras, refused to submit their accounts to the Industrial Tribunal on the ground that their headquarters was in London. This was in 1951-52 11 A.M. When these things happen, it is very necessary to get accurate information about their position and the profits which they make. Take the recent case of tram fare increase in Calcutta. The Company submitted that unless fares are increased they will undergo losses. But the main question should be what amount of profit they have earned and what is their actual position. About that there is no accurate information.

Secondly, I think that information should be collected about another matter. The question of managing agents has been mentioned in this Bill and also in the Statement of Objects and Reasons, but what I am more concerned with is that only general information, if it is collected about

[Shri S N Mazumdar]  
 managing agents, is not enough. There is one important question. It is often said that since 1947 many British or foreign managing agencies have changed hands—they have either become Indianized or have taken Indian partners. We have no real idea as regards that Indianization. We do not know whether they have completely ceased to be foreign or partly Indian or it is half Indian or what position the Indians occupy there. About these also we have no information. This is also very important because apart from all disputes about employing foreign capital in India, it is very important that we have a clear picture of these in our minds. So special stress should be laid on collecting information in this matter. Then there is another factor also. Many new concerns have been floated in India with supposed joint participation of foreign and Indian capital. There also we have no clear idea about the terms of agreement, or about the domination or influence of their Indian or foreign capital in such joint concerns. It is very necessary, apart from all disputes or political questions, to have a clear idea about this. We want to have a grip on our national economy. So I think the powers which the Government are going to take in this Bill should be utilized in this direction. I have put forward an amendment and I shall make further points later.

PROF. G. RANGA (Madras). Mr Deputy Chairman, Sir, I am sorry to have to come a little earlier than my friend Mr. Parikh, whom I would have liked to hear first. I did not know that he was standing up on this occasion.

I agree with my hon. friends who have spoken today on this Bill, both from the Government side as well as from the Opposition side. It is common ground that we should try to get all relevant and useful information in regard to the industrial and commercial concerns which carry on business in this country whether they

belong to our own nationals or to non-Indians. So far our friends have laid stress on the need for obtaining this information from the foreigners and foreign controlled concerns. That does not exhaust or that ought not to exhaust our anxiety to get this kind of information from industrial and commercial concerns as a whole and I am sure it is not the intention either of Government or of the Opposition that we should discourage investment on the part of foreigners in our country, or the development of industrial and commercial concerns and activities in our country. The time has not yet come when we should discourage that kind of activity. On the other hand the Planning Commission has made it clear that if we are to make rapid and adequate progress in commercial and industrial spheres, we should be prepared, if need be, to go out of our way to welcome partnership and co-operation from abroad. Whether it comes from the Anglo-American side or from some other side it does not matter. The most important thing is that we should take sufficient care to see that these foreign concerns and their owners do not exploit us in any way different from our own industrial and commercial concerns. And to the extent that they are allowed this privilege, we should see to it that at the earliest possible moment, our personnel become able enough to replace the foreign personnel by gaining the necessary experience and seniority and that our own capital is able to replace the foreign capital and our own managerial capacity also is developed to such an extent that we will be able to take over the whole of the management of the foreign concerns when the proper time comes.

Now, having said that much, it is very necessary that we should hasten to pass a Bill like this. But is it enough? That is where the point made by my hon. friend Mr. Ghose becomes very relevant. One point on which I straightaway agree with him is this. When you prescribe a particular form in conformity with which the

statistics have to be collected, it is necessary that Government should take counsel not only with their own statistical experts but also with the experts in the different universities and also with those with commercial and industrial experience who are available in this country. That is why he has also suggested that when such a form is first of all published, possibly in their official gazette the form should also be circularised among all the relevant organizations dealing with such subjects in our country and their advice also should be obtained before these forms are finalised.

There is a second suggestion he has made which I would like to endorse. Instead of various departments asking all the industrial concerns for various kinds of information, it would be much better if the Government of India were to take steps to see that in each State there is a statistical department to which all their demands for information may be channelled. And from that department again the demands would sail forth to the industrial concerns. The advantage of this method should be obvious to everyone. The special advantage to the industrial concern would be that instead of being called upon to give the same kind of information by a number of agencies on different occasions they would be called upon to give the information only by one agency. Whenever the need arises, that information would be there in that particular clearing or pooling office and whenever any demand is made by any one department or authority, it would be the task of the head of that particular office to see whether that information is already available on that particular topic and if that information is already available then they should not trouble the industrial concerns concerned.

It is not enough to pass a Bill like this and keep quiet. The most important thing is for the Central Government to see that they have some agency of their own in each one of

these States to see that the State Governments are having the necessary machinery to collect the information required that they collect the information and that the information collected is correct. Therefore from time to time, it should be possible for a statistical representative or a statistical expert of the Government of India to satisfy himself in each State that the co-operation that is being offered by the State Government is adequate and is satisfactory and is scientific. Then it would also be necessary for the Central Government, if need be, to provide some financial assistance to the State Governments in order to develop the necessary equipment in this direction. I think for the collection of statistics regarding cotton ginning, cotton spinning etc., and for other statistical information the Government does make some kind of financial allowance to the industrial concerns in order to enable them to employ the necessary labour and periodically supply this information to Government. I say this subject to correction. But, anyhow, my suggestion is that Government should be prepared to consider the advisability and the necessity of giving some kind of financial inducement and assistance, if and when necessary to such of the industrial concerns as would demand it and as would really deserve it, whenever this kind of information is demanded by Government—information which has to be collected by them after taking a lot of trouble.

Sir, I have in my mind not only foreign concerns but also Indian concerns. More and more of them are going to be brought within the purview of this Act and if all of them were expected to supply this information, to be ready with the information whenever called upon on so many of these topics, it would become necessary for them to obtain and employ special staff and be prepared to give this information, especially when you provide penalties here for the supply of information which may prove later on to be defective and to be wrong.



[Shri S. N. Mazumdar.]

It would only be fair that the Government of India, as well as the State Governments, should be prepared to go more than half-way to co-operate with the industrial concerns and the commercial concerns in order to see that they are able to have the necessary and competent staff and give accurate information to us.

Lastly, when you collect all this information at the State Centre as well as at the Union Centre, what use are you going to make of it? My hon. friend Mr. Ghose has already made one suggestion. It would not be necessary for the hon. Minister to make up his mind here and now and give us a decision regarding this matter. I think they could leave it to the Council of Statisticians which I think already exists in this country as one of the branches of the Science Congress. Government could take advantage of their advice from time to time. They could place all this volume of information with them and seek their advice as to what portion of it should be made available to the public and what portion kept as secret. Even out of that portion of the statistics that is kept as secret, it should be possible for Government to make a good portion available to research students in the colleges and universities—the statistical information that we have in our country. Otherwise what would happen is that Government having all this information in their hands would not know what to do and their own experts may become stay-put and we should be going through all this trouble for no useful purpose at all.

In conclusion, Sir, there are only one or two small details to which I would like to draw the attention of Government. They want to appoint a statistics authority. It has been the custom in the past and also now to nominate the District Collector in each district as the authority for this, that and so many other purposes. Similarly they might be doing this

time also and add this also to his work. Somehow I feel a little diffident to suggest that in every place a separate statistician will have to be appointed. But I would like to suggest that, to start with, it is necessary that the Government of India should have their own expert statistician in each State, to be designated as the statistical authority in that State as a whole. In addition to that, of course they would have the power to give power also to the State Governments to designate the District Collector or any other person, for instance, the Labour Commissioner or the Factories Inspector or any other officer, as the statistical authority. Then they have to fix sometimes the power of the statistical authority to call for return or information, also the interval within which such information or returns should be furnished. In fixing these intervals Government will have to be rather careful.

If we keep only the foreign firms in our view, it may not be so very necessary to be so careful, but when it comes to our own concerns which, unfortunately, as we know, are not so very strong in their managerial set up, in their office and in the employment of experts, it would be necessary for the Government to be extremely careful. They should fix the interval as long apart as possible so that it would be within the competence of the concerns which will be asked to supply the information to furnish them.

SHRI C. P. PARIKH (Bombay): Mr. Deputy Chairman, first of all I would crave your indulgence to say that after three Members of the other side have spoken, I am given a chance. Naturally, the system should be that one Member from that side should speak followed by one Member from this side.

PROF. G. RANGA: Apart from that, I have myself apologised for having got up.

SHRI B. C. GHOSE: You may call upon any Member to speak. Even if

five people from that side get up and talk, we do not object, Sir.

MR. DEPUTY CHAIRMAN: It will enable you to give a comprehensive reply.

SHRI C. P. PARIKH: Now, Sir, this Bill looks like a simple one but its effects are of a far-reaching character. It is very good that it has been brought forward now on account of the special information required of the foreign concerns, I would have liked, Sir, in this case, when so many foreigners are employed in this country, that the Commerce Minister should have given us some information regarding the staff employed in trade and commerce as also the salary drawn by them during the year. I think these figures must be with him and in whatever form they are classified a rough idea would have been very important in arriving at the volume of employment of foreigners in the trade and commerce and, I hope, Sir, that in his reply he will give this information.

Now, this Bill gives a wide power in the matter of trade and commerce to the Commerce Minister and he may require statistics in regard to important headings. I am quite sure that this is necessary. Apart from the employment of foreigners in this country, there are other aspects and in that connection this Bill is a welcome measure. This ought to have been brought forward five years before when the Congress regime began. When we look to the statistics in our country in the matter of trade, industry and commerce we find that they are so inadequate that we are unable to form a correct picture of the economic structure that we envisage for this country. The Economic Adviser is publishing statistics and we find that only 70 per cent. of the people have supplied the information. It is not the correct basis to judge our progress in the matter. Therefore, this measure is very important from that stand point.

Now, let us examine what it involves because every possible concern in the

country is brought under this Bill. I may say, Sir, that there are 20,000 factories, under the Factories Act, about 60,000 commercial establishments, 5,000 mines and plantations and about six lakhs of miscellaneous trading establishments. If he has to collect from all these people, as he has a right to collect, it would be a great task. I am asking him to make a distinction in this matter and I say that proper information could be compiled especially from those concerns which are employing large number of persons or whose wage bill is very large.

According to the *Labour Gazette* the number of factories which employ from 1,000 to 5,000 persons is 478 and factories employing over 5,000 number 34; below, in the range of 500 to 1,000, the number of factories is 329. If the information is properly collected and compiled and, also properly used, we have only to look to 400 big concerns and 300 small concerns. This is very easy for him to do. The industrial and commercial establishments working in this country require some supervision and control in the matter of their working, as some Members have said.

When the forms are to be sent out, I agree with Mr. Ranga, that these forms should be prepared only after getting the opinion of the various concerns who know about it; the forms should not be sent to them for completion if they are prepared only by the administrative offices. As an instance, Sir, I will quote the procedure in the Textile Commissioner's office. That office used to ask for about 400 forms during the year when only 100 would have sufficed them and in course of time and after persistent representation to them and after persistent influence in the higher quarters, we were able to reduce this number to about 200. This is not all. The Labour Departments of the State Governments and the Industries Departments of the State Governments also ask for the same statistics in the same form. I may tell you, Sir, that the manner in which these forms are ask-

[Shri C. P. Parikh.]

ed for is such that it only increases the cost of furnishing the statistics. I think, Sir, when the Commerce Minister is going to enforce this measure, he should take this factor into consideration. He can have some confidence in some associations if he has none in individuals.

Then, Sir, I come to the preservation of information supplied by individual units. The individual units may be asked to give information of any nature, of any sort, which may be prejudicial to the working of the unit if such information goes out indiscriminately or in a form which is not beneficial to the concern. It is necessary to have statistics but if the compilation is industry-wise, there will be no fear; this compiled statistics should be available to all persons in the trade. Many of the statistics, even though they are not secret, are not published for the information of the public. Either Government is fighting shy of criticism, or I do not know what. There is so much of statistical material; these should be widely published and published in a manner in which people can understand and gather useful information from them. I appreciate that such of the material as is of a secret nature should not be published but the others which are not of a secret nature should be available to those who require it and it should be widely published.

I now turn to another aspect of the Bill. The firms are asked to give information regarding the salaries drawn by various persons. We may be able to find out why so many officers with high salaries are appointed in one concern whereas another concern is able to do with less people with much less salary. Of course, there are no powers to compel them but those concerns which appoint a number of people on higher salaries and exercise their patronage, when they know that they are being watched, will be careful and there will be a stop to further employment of this nature. The Commerce

Minister should bear this in mind at the time of the compilation of the statistics from the 500 major establishments, and he will be able to know a great deal as to why one concern is having so many highly paid officers whereas another concern of the same type and of the same nature is able to do with lower grades for their officers. Then, Sir, another point and that is with regard to the employment and use of foreign machinery in the biggest concerns. If certain concerns are able to do with indigenous machines produced in the country I do not see why other similar concerns are allowed to have foreign manufactured machines and similar stores. Out of the 400 concerns we may find that many are not using the products of indigenous manufacture. I have often said and I repeat it on this occasion that the large-scale manufacturers are not utilising the products of small-scale manufacturers in the country and if some are able to use them in a particular industry, I do not know what is the difficulty for others to do so.

Then, Sir, I will come to another matter with regard to insurance, banking, shipping, and export and import trade. These are the four categories where foreigners operate predominantly and they practically have the control in the matter of commerce and trade because insurance, banking, shipping and export and import trade are so related that through these sources there is an invisible drain from this country which goes to the advantage of foreign concerns. Let me take up shipping. When goods are to be exported or imported one has to go to the foreign companies who own their own ships or their own insurance companies or their own banks. I think that something may be done in this respect and ways and means may be found to see how this invisible drain of our money could be stopped and what else can be done in this regard.

Then, Sir, I would come to the last point with regard to clause 9. Clause 9 refers to prosecution of a company

for offences. Now I have to point out to the Commerce and Industry Minister that the prosecutions have been of such a nature that in many cases the officers who are competent to institute prosecutions use that weapon even where such a course is not warranted. I know of many prosecutions which were launched and which were later withdrawn but after harassing the man for 3, 6 or even 12 months. If prosecution is to be launched why not launch it in time? The lower class of officers try to take money from the industrial and commercial concerns on the ground that they have made technical mistakes and that such mistakes legally entail prosecution. In this clause it is shown how the prosecution can be launched and against whom. First of all, the prosecution will be on the managing agent or officer in charge of the company. But where it is also known that there is neglect on the part of any director, manager or secretary or other officer of the company there also prosecution is granted. I do not, however, mind, Sir, that this word 'neglect' is there. The word 'neglect' is of such a prime importance that it is left to the judgment of the officer who may interpret it according to his discretion. Leaving the clause as it is I would suggest that wherever prosecutions have to be launched they may be launched with the approval, consent and written signature of the Commerce Minister. It is no use harassing persons who are carrying on their legitimate activities and prosecuting them for the commission of some technical mistakes which are possible in large-scale establishments in this country. Therefore I have again to point out to him that this provision being very important should be so invoked that no undue harassment is caused to anyone. Especially in the matter of prosecution they will have to weigh the whole position and see whether there has been any *mala fide* motive behind the offender's action or whether there has been wilful neglect on the part of any officer or employee of the company. I would have used the words 'wilful neglect' in place of 'neglect' but I do

not want to improve upon it at this stage. What I insist on is that the Minister's sanction should be necessary before any prosecution is launched.

With these words, Sir, I conclude my speech.

SHRI KANHAIYALAL D. VAIDYA  
(Madhya Bharat):

श्री कन्हैयालाल डी० वैद्य (मध्य भारत):  
उपसभापति महोदय, यह दुख की बात है कि इस देश में व्यवसाय करने वाली जो विदेशी संस्थाएँ हैं उनसे जब यह जानकारी मांगी गई कि वे अपने कारोबार का व्योरा दें तो उन संस्थाओं ने गवर्नमेंट की इस मांग को पूरा नहीं किया और उसके परिणामस्वरूप यह बिल आज हमारे सामने आया है। मैं इस बिल का हृदय से समर्थन करता हूँ और संक्षेप में यह कहना चाहता हूँ कि हमारा देश एक बड़ी कठिन आर्थिक परिस्थिति से गुजर रहा है। विदेशी हुकूमत ने इस देश की आर्थिक नीति को जिस रूप से चलावा और जिस रूप से हमारे देश में उद्योगों को और कारखानों को चलावा गमा उससे वहाँ की आर्थिक स्थिति ने बड़ा भयंकर रूप धारण कर लिया है। इस देश की आर्थिक स्थिति को सुधारने के लिये और यहाँ के मजदूरों की स्थिति को सुधारने के लिये यह बहुत आवश्यक है कि हम कारखानों की स्थिति की सही जानकारी प्राप्त करें। इस देश के अन्दर भ्रष्टाचार, चोर बाजारी, काला-बाजारी करने वाले इन कारखानेदारों द्वारा ऐसी स्थिति का निर्माण किया गया है कि आज हमारे देश की जनता बहुत दुखी है और त्राहि त्राहि कर रही है। यदि सही मानों में इस कानून के ऊपर अमल कर के जितने कारखानों की जानकारी हमारी सरकार संग्रह कर सकती है उसको संग्रहीत करे तो पिछले दिनों इन कारखाने वालों ने जो चोरबाजारी के रुपये को व्यापार में या और दूसरे कामों में लगाया है उसका भी कुछ रहस्य मालूम हो

[Shri Kanhaiyalal D Vaidya]

सकता है। मैं तो आज भी इस विश्वास का हूँ कि यदि आकड़ों की सही जानकारी प्राप्त की जाय तो हमारे देश की जो आर्थिक समस्या है, जो अन्न समस्या है, और जो दूसरी समस्याएँ हैं वे सब बहुत कुछ सुधर जाय।

हमारे देश में कंट्रोल हुआ तो इस बात की देशव्यापी माँग की गई कि डिक्ट्रोल किया जाय और डिक्ट्रोल के साथ ही यह हुआ कि जो लोग इस देश के अन्दर व्यापार करते हैं, धधा करते हैं, उन लोगों ने चोर बाजारी के रुपये से तथा अपनी अन्य जायदादों को बैंकों में गिरवी रख कर के और दूसरे नाजायज तरीकों से रुपया लेकर डिक्ट्रोल किये हुए अनाज को खरीद कर के स्टोर (store) कर लिया और गवर्नमेंट को बहुत खराब पोजीशन (position) में डाल दिया। आज हिन्दुस्तान में जगह जगह वही अनाज जो कि सस्ते दामों में खरीदा गया था दुगुने और तिगुने दामों पर बेचा जा रहा है। यह सब कुछ इस देश में आकड़ों के अभाव में हो रहा है। यदि सरकार कल कारखानों और बैंकों वगैरह की सही तौर पर जानकारी प्राप्त कर सके तो हम देश के करोड़ों आदमियों का भला कर सकते हैं और देश की आर्थिक स्थिति को सुधार सकते हैं और जिस प्रकार पिछले वर्षों में करोड़ों रुपये जो चोर बाजारी के त्रिजोरियों में पड़े थे उन्हें जाहिर करने की छूट देकर करोड़ों रुपये की आय का सरकार को नुकसान भुगतना पड़ा वह नहीं भुगतना पड़े।

मैं जिस प्रदेश से आता हूँ वहाँ कई महीने से एक कपड़े की मिल उज्जैन में बन्द पड़ी है और उसके हजारों मजदूर बेकार हैं। यह जो कपड़ों की मिल इतने दिनों से बन्द है उसकी स्थिति को यदि देखा जाय और पिछले वर्षों के आकड़ों की यदि जाँच की जाय तो गवर्नमेंट

को मालूम हो जायगा कि न केवल मिल के मैनेजिंग एजेंट्स (managing agents) बल्कि उनसे सम्बन्ध रखने वाले जो दलाल वगैरह थे उन्होंने लाखों रुपया उसके द्वारा कमाया लेकिन आकड़ों के अभाव में उस मिल की हालत ऐसी बताई जा रही है और इस प्रकार की माँग सरकार के सामने रखी जा रही है कि उसको फाइनेंस कारपोरेशन (Finance Corporation) से अधिक कर्ज मिल जाय और वह मिल उस कर्ज से चलाई जा सके। आज तो मिलों और कम्पनियों की जो व्यवस्थाएँ चल रही हैं उनके हिसाब की व्यवस्था ऐसी है कि यदि उसकी वास्तविक रूप से जाँच की जाय तो यह जो देश में मुनाफाखोरी है, चोर बाजारी है और जो कंट्रोल के हटने के बाद बैंकों से रुपया लेकर लोग अन्न को स्टोर करके मुल्क के बाजार भावों को अपने कब्जे में कर लेते हैं वे सब समस्याएँ बहुत कुछ हल हो सकती हैं और जो मजदूरों का प्रश्न है कि हजारों मजदूर बेकार रहते हैं यह प्रश्न भी हल हो सकता है। इस बिल के पास होने के बाद इसकी सफलता इस पर है कि इस बिल पर अमल ठीक तरह से हो। यदि इस बिल का उपयोग इस देश की स्थिति को सुधारने में करेंगे तो मैं समझता हूँ कि इस बिल के पीछे जो गवर्नमेंट का उद्देश्य है वह जरूर पूरा होगा और जो देश में एक प्रकार की आर्थिक अराजकता की स्थिति का निर्माण होता जा रहा है, जो दिन पर दिन महागाई बढ़ती जा रही है, वस्तुओं के नियन्त्रण के हट जाने के बाद भी जो वस्तुओं के दाम बढ़ते जा रहे हैं क्योंकि होर्डिंग (hoarding) करने की, सग्रह करने की शक्ति व्यवसाय करने वालों की बढ़ती जा रही है और बैंकों द्वारा धन प्राप्त कर के तथा कारखानों की व्यवस्था द्वारा अनुचित हिसाब रख कर करोड़ों रुपया इनकम टैक्स का बचा कर वस्तुओं को इकट्ठा किया जाता

है, इन सब बातों में भी सुधार होगा। मेरे पूर्व वक्ता श्री पारिख ने कहा कि "कई कारखानों के अन्दर अपने अपने पक्ष के लोग बड़ी बड़ी तनख्वाहों पर रखे जाते हैं"। चोर बाजारी करने वाले व्यवसायी ऐसी ऐसी योजनाएँ बनाते हैं कि सरकार को इनकम टैक्स न देना पड़े और अनुचित रूप से ऐसे हिसाब तैयार करें जिससे कि करोड़ों रुपया चोर बाजारी में लगा कर के देश की स्थिति को बिगाड़ सकें। सरकार को इस देश की आर्थिक स्थिति को सुधारने के लिये सतर्कता से कदम उठाने की जरूरत है। यदि देश की आर्थिक स्थिति को सुधारने के लिये इन लोगों पर नियन्त्रण कड़ा नहीं किया गया तो पिछले दिनों महंगाई के कारण जनता को जो विशेष कष्ट उठाना पड़ा है उसमें वृद्धि ही होगी।

आज देश में खाने के तेल के बाजारों के ऊँचे भावों को देखिये या दूसरी चीजों के बढ़े हुए दामों को देखिये। इन तेल के कारखानों की जांच की जाय कि जब मिलें बाजार से कच्चा माल कम दामों पर खरीदती है तो क्या वजह है कि इतना बड़ा लाभ उठाने के लिये तेल के दामों को इतना बढ़ा दिया गया कि सारे देश की जनता तेल के लिये दुखी हो रही है और घड़ाघड़ भाव बढ़ते जा रहे हैं और उसका प्रभाव दूसरी चीजों पर भी पड़ता है और इस प्रकार सरकार की जो डिक्ट्रोल की पालिसी है वह भी असफल होती है और एक तरह से उस पालिसी को चेलेंज (challenge) दिया जाता है। अतएव मैं आशा करता हूँ कि यह बिल जो सरकार ला रही है उसे इस तरह उपयोग में लाया जायेगा कि जिससे ऐसी स्थिति का निर्माण किया जा सके कि जो भ्रष्टाचार, चोर-बाजारी और झूठे हिसाब तैयार करके देश को नुकसान पहुंचाने की प्रवृत्ति है वह रोकी जा सके और तभी देश का उत्थान होगा,

अन्यथा हम जो बड़ी बड़ी योजनाएँ बनाते हैं, जैसे कि पंचवर्षीय योजना आदि, वह सफल न हो सकेंगी। क्योंकि जब तक कारखाने वाले और दूसरे लोग जो कि साधन सम्पन्न हैं और यहां व्यवसाय करने वाले हैं वे इस प्रकार के हिसाब तैयार करते रहेंगे कि आयकर से तथा दूसरे टैक्सों में सरकार की जो आमदनी होनी चाहिये वह न हो सके तब तक हमारे देश की योजनाएँ और प्रगति के काम धन के अभाव में नहीं चल पायेंगे और जनता की स्थिति दिन पर दिन बुरा हो होती जायेगी। अतः इन शब्दों के साथ इस बिल का समर्थन करता हूँ और आशा करता हूँ कि कानून के पास होने पर जो सुझाव दिये गये हैं उन को दृष्टि में रख कर सरकार व्यवस्था करेगी।

[For English translation, see Appendix V, Annexure No. 15.]

SHRI KISHEN CHAND (Hyderabad): Mr. Deputy Chairman, Sir, I welcome this Bill, because statistics, to my mind, is a most important thing. Any national programme is not possible without a correct collection of statistics and yet I am surprised to see that this Bill consists of a few clauses of appointing some statistical authority and of imposing certain penalties for not supplying the data. I do not think, Sir, that a Bill of this type is going to do justice to this important subject of statistics as the collection of data is very essential for any planning of our national life. I am further surprised that in the Objects and Reasons, great importance has been given to the fact that certain foreign firms did not give correct information about their employees and about the fact that the majority of their employees in the higher grades consists of Europeans and foreigners. I agree with the hon. Minister that this question of Indianization of foreign firms is very essential. I would go a step further and would request the hon. Minister to bring in a comprehensive Bill regulating the employment of Indians and

[Shri Kishen Chand]

foreigners in firms situated in India I have on previous occasions stated that I believe in the nationalization of these foreign firms. I will insist that a target of three years be fixed and that within three years 90 per cent of all higher posts—technical and administrative—should be occupied by Indians. Any firm which is not prepared to take in 90 per cent of Indian officers in the management of its affairs in India has no right to exist here. That is my contention. I entirely agree with Mr Ghosh and Mr Mazumdar when they point out that these foreign firms are making discrimination against our countrymen and that they are finding some excuse or the other—technical or non-technical—to give employment to foreigners to the exclusion of our countrymen. With that I agree, but I have risen to deal with this question of statistics and the statistical problem.

I will submit to the hon. Minister that the statistical officers employed should be above corruption but as has been pointed out by a previous speaker, when we impose penalties the net result will be that these petty officers on some excuse of some default in supplying statistics or in numerical or clerical mistakes—under a reasonable or unreasonable excuse—find out a way of taking bribes and illegal gratification. Therefore, I would request the hon. Minister in charge of this Bill to take very great precaution when this Bill becomes an Act and is enforced, that it does not lead to corruption in the collection of statistics.

Statistics as supplied by any trade or industry are bound to be partially incorrect unless they are very thoroughly examined and collated with the other data supplied by the concern. The normal practice in any Government Department is just to ask for certain statistics and when they come in, the clerks or the tabulating machines just add up the figures and we get some sort of result which is generally not correct. The correct

collection of statistics requires a high degree of knowledge and I would have liked the hon. Minister to have made in this Bill some provision by which at least two qualified statistical officers were appointed in each district—we have nearly 300 districts in the country—who should be charged not only with the duty of collecting statistics but also verifying them. For every industry certain standards of consumption of raw material, of labour and other things be fixed and the statistics supplied by any particular factory be examined to see whether they bear some sort of relation to that general standard. Unless these things are done we are not going to get any information—but we just ask for statistics and send round an ordinary petty inspector to go and verify, then it is possible that the inspector will get satisfied with some small gratification and certify the statistics as correct. I say the future of our country and of our national planning depends upon these statistics. Our requirements of raw material, our requirements of machinery etc. will all depend upon it. As Mr Parikh has pointed out, take the example of the textile industry. Supposing one mill can carry on and produce so much of cloth out of so many pounds of cotton while the other mill wants double the quantity of cotton for the same amount of cloth and if we accept it without questioning, it is vitiating our statistics. A large number of persons can be absorbed in the management of any factory, but if statistics are collected and a fixed percentage is set out for expenses on management and a fixed percentage for expenses on labour it will be very easy to verify whether any particular factory is abusing its privileges and taking unfair advantage of Government's leniency. And therefore I would submit, Sir, that a more comprehensive Bill, giving all details as to how the statistics will be collected and how it will be compared, then tabulated and published, should have been brought in. This is an incomplete Bill and will not give us any information.

It is an old saying that statistics can prove anything. Ask any mathematician or statistical officer and he will tell you that statistics can prove anything, and therefore we have got to be very careful when we collect statistics and publish them. The State Governments have got various agencies for collecting statistics. There is the Labour Department. They are collecting all sorts of statistics about the number of people employed, irrespective of the fact whether that number is too little or too large for that industry. Similarly there is the Supply Department and the Import and Export Departments. They just want statistics without finding out whether those statistics are true or correct or they bear any ratio to the scale of the industry or the requirements of the industry. And therefore I will say, Sir, that a simple questionnaire be prepared, simple to understand, not requiring too many details and sent through only one agency. The inspector of the Government Department should go round, as far as possible, to all concerned, advise them, instruct them, in the tabulation of their statistical data and only such data should enter in the final compilation. If all these steps are taken, we have a chance of getting the correct figures. There are only 300 districts in our country and if there are two officers appointed in each district, it will mean 600 statisticians getting full employment and they will be giving us correct details.

Sir, I will say a little later, when these clauses come up for discussion, that the penalties prescribed are a little too harsh and they should be reduced as far as possible because of the ignorance of our people. The concerns being medium-sized, they cannot afford to have expert statistical officers to supply this data. We want to keep down the cost of manufacture. And for this reason it is necessary that the penalties prescribed are lower. The cost of supplying statistics has to be kept down. With these remarks, Sir, I support the Bill.

SHRI TAJAMUL HUSAIN (Bihar): Mr. Deputy Chairman, the only thing that I wish to say in connection with this Bill is that my information is that in some foreign firms a large number of highly paid employees are foreigners and that the Government of India asked these firms to have a larger number of Indians, they supplied a list showing that a larger number of Indians were employees of their firms and a smaller number of foreigners were their employees. Now, Sir, my information is that all the low-paid employees such as the menials and the clerks only are Indians. Of course you know, Sir, that it is very expensive for them to bring these menials and clerks from outside and it is always cheaper for any foreign firms to employ menials and clerks from among the Indians. I therefore suggest to Government, Sir, that they should insist on all foreign firms that at least 95 per cent. of the highly-paid employees should be Indians. Of course I am in favour of nationalization but that will come gradually. And if there is a breach of this order by them, then the penalty I would suggest, Sir, should be that they should be asked to quit India at once.

SHRI K. S. HEGDE (Madras): Mr. Deputy Chairman, I am heartily in agreement with the principle underlying the Bill. It is no doubt true that the Bill is not as ambitious in its scope as required by my friend Mr. Ghose and my friend from Hyderabad. But one thing is certain that the Bill is in consonance with the economic needs of the country at present. It is not statistics that are called for all future times. It is just a machinery to collect the data. It is for the Government to decide in the future to what use it could be put to. It is merely a raw product of the industry. What I am more concerned with is that the form in which the Bill has been presented might reduce the legal efficacy of the Bill. I earnestly request the Minister in charge of the Bill to consider some of the legal impediments that may stand in the



[Shri K. S. Hegde.]

implementation of the provisions of the Bill, if it is not suitably amended. I am taking this opportunity particularly to invite his attention at this early stage so that he may have the matter examined in due time and due consideration may be given to the amendments that I have given notice of. I would invite his attention firstly to clause 2, the definitions clause, especially the definition of "commercial concern". It is a defining clause, and if you permit me to say so, Sir, it is an enumerative clause, it is an inclusive clause and it is an exclusive clause. Probably all the means that are availed of by the draftsman in the alternative circumstances have been taken advantage of and cumulatively put in there. I am not complaining merely of the crude form of the definition, but I am complaining that the definition might become entirely useless. In clause 2(b) (xi) they have said:

"any other concern which, in the opinion of the Central Government, is a commercial concern and is declared to be such by that Government by notification in the Official Gazette, but does not include an industrial concern."

Obviously the object of the Government was to take necessary power and to declare any concern as a commercial concern. Now this is not likely to be interpreted in the manner that is anticipated by the Government. Having enumerated a number of concerns in clauses (i) to (x), clause (xi) is likely to be interpreted by the courts by following the doctrine of *ejusdem generis*, i.e., belonging to the same genus but may be a separate species. So clause (xi) may not give any benefit to the Government and it may not serve the intended purpose. I am inviting the attention of the hon. Minister to the fact that a concern may be partly commercial and partly industrial. Under what clause does it come? It certainly does not come under clauses 1 to 10. I am afraid it cannot be brought in under clause 11. It is not

an industrial concern; it is not a commercial concern; it is a hybrid, partly commercial and partly industrial in character. There may be several other contingencies. I would request the hon. Minister to consider whether the difficulty cannot be solved in the manner I have suggested in my amendment in question. All the clauses from 1 to 10 are superfluous clauses which, instead of helping you, may actually hinder the implementation of the Act.

I would also invite his attention at this stage to clause 6 of the Bill. Under clause 5 you ask for information or returns. Collection of statistics, information and returns, these are the terms used in clause 5, but when we come to clause 6, all that is said is that "the statistics authority or any person authorised by him in writing in this behalf shall, for the purposes of the collection of any statistics" that is only one purpose. Supposing a concern has already given you a return. Under what clause have you the right to inspect the record for the verification of the returns submitted by the concern? That is why I suggested that it should be amended by saying, "for the purposes of the collection of any statistics under this Act or verification of any information or return submitted under section 5". The right to inspect the books must not only be for the purpose of collecting data but also for the purpose of verifying the data or the verifying of the information that has been submitted to you, which is probably more important.

SHRI D. P. KARMARKAR: Verification is part of collection.

SHRI K. S. HEGDE: But in clause 5 you have used three different words. One of the axioms of law is that the same words have the same meaning throughout the Act. If you have used a word in one sense in one clause, you cannot use it normally in other clauses in a different sense. They have used the words, collection, return, information, in different senses in clauses 5 and 6. It is doubtful whether the law

courts will help by interpreting collection as verification also. Normally collection is not verification unless you interpret it broadly. The courts are not likely to interpret it broadly because you have used the word in a specific meaning in the course of your Bill. Apart from that, why should you put yourself under a handicap by using the word 'collection' and take the chance of the courts interpreting it in a narrower sense? The very object of your Bill may be defeated or at least delayed for the time being.

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Now, take for example clause 7. Somehow, you are putting a restriction on publication. It is true that some of the information may be confidential. My fear is that the whole of your Bill may become entirely useless because you have placed a ban on yourself against publication. Supposing a concern gives you wrong information, and you want to prosecute it. You are preventing yourself from publishing that false information before a court of law. The restriction that you have placed on yourself is not partial but conclusive, not partially embracing but all-embracing.

"No information, no individual return and no part of any individual return....."

You have left out the word 'information' here, meaning that you can publish part of an information but not of an individual return. When you come to the word 'part', you have only used the word 'return' but not 'information'. Part of any information can be published but not part of a return.

".....with respect to any particular industrial or commercial concern given for the purposes of this Act shall, without the previous consent in writing of the owner for the time being of the industrial or commercial concern in relation to which the information or return was given or made or his authorised agent, be published in such manner as would

enable any particulars to be identified as referring to a particular concern."

How are you going to prosecute a man who gives you false information? I give you false data, and you want to prosecute me for giving you false data. You can only do it by proving in a court of law that it is false data. But for that purpose, you cannot publish it. You may think you have an indemnity clause, but the indemnity clause is not an authorising clause. Prior to the indemnity clause, there must be a permissive clause. How can you prosecute the man concerned unless you disclose it in a court of law, and disclosing it in a court of law is publishing it.

SHRI D. P. KARMARKAR: I am afraid that my hon. friend's confusion has arisen from the fact that he has not read clause 7 properly. Clause 7 says:

"No information, no individual information return and no part of an individual return with respect to any particular industrial or commercial concern...be published in such manner as would enable any particulars to be identified as referring to a particular concern."

The only thing that is prevented from being published is that so and so is concerned and such and such company is concerned.

SHRI K. S. HEGDE: He has not understood my point. Supposing firm A has sent a return which is false. You want to prosecute firm A. In order to prosecute the firm and prove that their return is false in a court of law, you must publish it, but under this clause you are prevented from publishing it. I ask the hon. Minister to examine that point. Let him consult his legal advisers. I doubt whether you can really prosecute anybody under the law as it is. Probably the drafting department is over-loaded; you give them something one evening and

[Shri K. S. Hegde.]

ask them to put it in legislative form by next morning, and this is the result. In fact, I am informed on reliable authority that in other countries the draftsmen work in pairs. One man drafts and the other man scrutinises. There is nothing like it here in this country. If only you see the decided cases and reports, it makes really painful reading to see almost everyday one or the other of our legislative measures being declared as void or as ineffective. This is such a serious matter that I would like the hon. Minister to re-examine or *de novo* examine the whole thing. Now I come to clause 9—I do not know whether sub-clause (2) of clause 9 is really necessary at all. As represented by other speakers, it is really a dangerous clause. You are prosecuting the owner as defined there. If you try to catch hold of some other smaller fry like secretary or assistant manager, you can do as an abettor. The phraseology used by you is:

"Notwithstanding anything contained in sub-section (2) where an offence under sub-section (1) has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly."

In every case there will be a neglect of the director. It is not something of a positive concept. If a director fails to study his paper he is neglecting his duty. You are putting such persons in peril. A director may be as ignorant about the facts of a firm as any outsider is and that is why it is a normal requirement of law that the men you are prosecuting, are the persons who are owners as defined. Prosecute the managing director or manager or any person in charge of the concern. I

would be obliged if you could have the matter re-examined in the light of the suggestions made by me.

SHRI S. P. DAVE (Bombay): Sir, in fact this Bill ought to have been brought much earlier due to the great importance it has with regard to industrial and commercial matters. It has been our experience especially in adjudication of industrial disputes that many a time due to lack of data with regard to industrial production and various other matters, the courts and tribunals have not been able to decide the cases properly. It is up to those who are employed in industry and commerce to supply the relevant information to the country since no Government can take decisions, shape policies or do any other matter without relevant information. Even today I am sorry to say that in the various Departments of Government, the statistics which they publish are sometimes at variance with other information published by other sources and one is really surprised as to which is the correct source. Today we in this matter have to progress still and therefore I am happy to find that we are putting a statute on the anvil at least to make a beginning with.

Sir, I will not take up much time of the House by showing difficulties about drafting or bad drafting or whatever it may be. I am satisfied if the purpose for which the Bill is drafted, is fulfilled. In that connection I was wondering at the language of clause 3, sub-clauses (a), (b) and (c) relating primarily to industries and industrialists and there it is described in a comprehensive manner "any matter relating to any industry or class of industries". But when it comes to labour it is split up into various portions from (i) to (xi). You do not make a comprehensive list. If this is to be a comprehensive list, I am afraid that so many things are missing. Even without giving much thought to the question I may say that we must have figures of sickness, we must have figures of mortality, we must have

figures of people who retire annually in the industry, we must have figures about accidents. So many things I can add to this list. Rather than that I would put it in a comprehensive manner and say "Take any industrial matter pertaining to workers' wages, their conditions of work and living which are capable of producing industrial disputes" and that will include not only these 12 but possibly 100 times more than these 12. I am rather diffident that if this list is there by itself, then possibly the employers, if they are asked to say how many people retired from any industry during 1952 might say, "We are not obliged to give you this information. The clause as it reads does cover so many small items but we are not obliged to give you the number of persons who died or retired in the industry." And then, if a question like gratuity comes and the question is to appraise the burden on the industry as a result of gratuity by way of retirement or persons who died, then the court will say that there is no data. Actually this is my experience. Two years back I was obliged to come back from an Industrial Court of Bombay on the sole ground that no industry maintains figures with regard to persons who died in the industry or persons who retired in the industry and in the absence of such valuable data, no court can make order with regard to payment of gratuities. We have not yet learnt. Even then my State Government did not issue an order that industries shall maintain these figures. I am happy that the Centre is doing it now. When you are doing it, do it perfectly and completely, and with that view the language may be suitably amended to cover every phase of it. You have tried to do so, though it is possible as my friend Mr. Hegde said that people will argue that so many things are missing here. They may say: I find so many things with regard to wages; I do not find anything with regard to the remuneration of managing agents. Is it not possible to provide for it? To my mind it is a matter relating to an in-

dustry, but it is capable of being argued. What has a managing agency's commission to do with the industry? It has to do with the industrialists. It has to do with wages, it has to do with this and that but not with the industry. Therefore all those matters which are of real utility in matters of industrial disputes, whether with regard to labour or capital, must be included there. There is nothing with regard to technical processes. There are a hundred and one technical processes involved in any industry. Take textiles. There are more than 400 operations. There is calendaring which plays a prominent part because they are all inter-dependent and unless information with regard to these are there, you cannot have it complete. One may ask, "Is it any industrial matter?" As production is a part of the industry it should be there but it is not described in detail. Therefore my humble appeal to the hon. Minister is that in order that it may not be said that the Bill has this lacuna in the future and in order that those who are clever in law may not try to point out that whatever is not specifically indicated was not intended by the legislature, I make a point to say that if this Bill is to be of any use, let it be so fool-proof that there will be scope enough for you without amending the Act to call for anything that you like from the employer, from unions, from labour organizations, from State Governments, from any corporation etc. I say this with emphasis because I have suffered in the past as a result of lack of data and statistics. As early as 1933 in a wage dispute the employers actually refused to give us copies of published magazines and said, "Go to the Registrar of Companies and try to take copies". Of course, much water has flowed under the Ganges since that time and today few employers make this plea. In a court of law they have to produce a balance sheet and give its copy to the other side, but to my mind what secret or confidential information can there be when you have come out to do business? Therefore

[Shri S. P. Dave.]

I am not happy with clause 7. Anything that is in the possession of the State, as a result of the information collected under the Bill, must be treated as public information available to all. The right of inspection must be there. You may take a small fee for that. You may not advertise it and you may not publish it, if it is not necessary. If we want specific information where shall we go unless we go to State records or statistics? There will be research students who may be particularly interested in, say the history of sericulture, the profits made, the wages given, the condition of the workers and so on. We have cases today where the wages are very low, where even the minimum wages are not paid and where the Act is not even complied with. Sir, I believe that the impression, that every little piece of information is going to be abused or misused, is a wrong one and nobody should be carried away by that impression. After all whatever has transpired or has been collected is public information to which the public have a right and they are entitled to inspect, use and utilise it, to argue upon it, speak and debate. Therefore, I consider that unless it be for State purposes, unless there is something which is against the public interest itself to disclose, it should not be treated as private or confidential. Sir, my hon. friend here said, and said rightly too, that statistics may be made to prove anything. I have also heard it said that statistics—superlative statistics—is falsehood, they become lies. So let us be very careful as to the material we receive, the returns that we get, because our shrewd and wise industrialists know that when a score of returns are asked for, they are merely pigeon-holed, no scrutiny takes place and nobody has the time to go through them. My personal friends have told me that it is their experience that no head of the department has ever seen all the returns that are being received, and they are perhaps happy if the returns are sometimes sent in blank, except in the first

page. So, I say a competent authority should be there to scrutinise these returns and also see if they tally with the originals so that we may be sure that whatever information is received it is correct. It is better to go without information rather than work on the basis of wrong or incorrect or deliberately false information. Therefore, I say there should be deterrent punishment put down here for anybody who deliberately gives false information. My friend Mr. Parikh was very solicitous about dealing with people who make slight mistakes. There I am at one with him. I do not want to punish a clerk for a typographical mistake or a mistake which is very human; but where something has been put down deliberately wrong, there can be no excuse.

SHRI C. P. PARIKH: I spoke of technical mistakes.

SHRI S. P. DAVE: Yes, and I am more accurate than you were, and I say typographical error, because a technical error can be interpreted in any way. I have seen balance-sheets where the managing agents' commissions are lumped together with fuel, brokerage and miscellaneous charges. How the hell am I to split all these four things separately? Are you going to receive statistics of that nature? If so, it would be useless. Therefore, let us be sure as to what is it that we are going to receive by and with the help of this Bill? It should be something that is intelligible. It should be something capable of being singly linked up with another factor. So, in order that your statistics may be useful to you, certain other auxiliary things will have to be put down, namely the standardisation of certain forms to be utilised by various industries for various purposes. Today, unfortunately, under the Companies Act, no section says how a balance-sheet shall be displayed. It merely says that it shall mention what is the paid up capital, that it shall mention this, that and the other; but it is nowhere

stated that two items of expenditure may not be put together. Therefore, very wise men who do not want to show how much coal they use, mix up coal, bleaching powder and something else also. A man like me would like to find out, if a ton of coal costs so much in C.P. and if a mill with so many spindles spends so much on fuel, why the expenditure on fuel is so much; it ought to be only so much. Why is it so much more? There is some *gol mal*; but I cannot get to know the *gol mal* because the items of expenditure are so tabled that you cannot get at any item singly.

SHRI GOVINDA REDDY (Mysore): The auditor is there to look into it.

SHRI S. P. DAVE: The auditor does not help.

SHRI C. P. PARIKH: Therefore standardise the balance-sheets.

SHRI S. P. DAVE: Exactly. I am very happy that at least one industrialist agrees with me.

I know these are simple things and the hon. Minister may feel that I am dealing with trivialities. But these things are important and they have arisen from bitter lessons learnt in the past, each one of them reminds me of some major industrial dispute. It is from these industrial disputes that I have learnt these tricks. Even last year I was happy in an Industrial Award to have the power to call for any document in connection with a particular concern which was incurring losses and we had to find out how these losses were incurred. I tried to fish out things, but what could I find? A broom, I find, costs 12 as. I know it is too much, but there is a voucher with signature or thumb impression and with the auditor's tick in red ink. How can I go behind it? I can never say that the broom could never cost 12 as. though you may call the man a fool for paying 12 as. when it may be had at Ahmedabad for half an anna. If I take out these instances and go to court the court would say

it has no time to look into these details. Therefore I say I am happy to know that the Statistics Bill is going to help us. I am no expert in law and so Mr. Hegde and others may find out drafting defects and suggest cures or remedies for them. I have only stated what I want from this piece of legislation. The three points that I have tried to make are these. Firstly the Act should specifically say what is wanted, either by enumerating properly or by stating in comprehensive language, so that everything is included and nothing is left out. If you would describe the industry, describe the finances, the production technique, the working of it, the personnel of the industry etc. Then possibly everything would be covered. Even then the Managing Director may say his remuneration does not come in. Therefore, let him be treated separately, mention his allowances, his privileges etc. etc. With regard to labour you have dealt with it fairly well and I have no complaint to make, except that you should include figures relating to sickness, mortality, retirement, accidents etc. This is just by the way.

I know the difficulty. This Bill has been passed in the Lower House. You may say, "Why give us the trouble of sending the Bill back to the other House for this slight amendment", but, my prayerful submission is, Sir, that it is not a trivial change. If you consider that, that is not merely for the fancy of it but also to help the composition of the legislation, to be more appropriate and proper, even if it needs having to go to the Lower House once again, the Cabinet should do it.

Thirdly, nothing should be confidential in whatever is printed, whatever is utilised, whatever is submitted as having relation to trade, industry and commerce. It is for us, the consumers and the representatives of the consumers who are the real owners, to say what is confidential and what is not. Let not A, B or C run away with the idea that the industry belongs to him. He is the care-taker for the time being, entrusted to do the job. He can be removed tomorrow if he does not behave

[Shri S. P. Dave]

properly and, therefore, it is not for him to say what is confidential or what is in the public interests of the country. It is for us, the legislators here, to say what is confidential and what is not and, for the time being, let the Cabinet exercise that power, Sir, with discretion. Whatever is not in the interests of the State to publish may be treated as confidential, otherwise, nothing should be confidential.

Fourthly, deterrent punishment must be there for persons who try deliberately to mislead by giving false information or by giving no information.

That is all that I had to submit.

SHRI RAMA RAO (Madras): Mr. Deputy Chairman, this Bill is welcome to me only to a limited extent. It is welcome in the sense that it satisfies a long felt national need. It is not welcome beyond that, because, as the previous speakers have pointed out, it labours under certain enormous limitations to which I shall refer later.

Long ago, the Agricultural Commission said, "the whole basis of statistics in India urgently requires broadening. It should rest, not on the work of a few Government officials, however able but on the support of public and through them, on the recognition by the legislatures and by the general public that modern statistical methods are in a position to make an independent contribution to the successful development of social administration". The Bowley-Robertson Report of 1934 pointed out this colossal deficiency in the Administration of this country and stressed the need for a special department of statistics. This Bill, as it has been placed before the House concerns itself only with certain aspects of statistics and even there, it has many limitations. I shall bless it before I damn it. First, the element of compulsion is introduced with regard to the supply of figures and access to documents. Secondly, it makes a special attack—I do not hesitate to say that—on foreign companies, which we are bound to expropriate one day or the

other, but which so long as they continue must be made accountable to the people of this country and must be prevented from taking away too much money. Thirdly this Bill gives authority to the Government to gather statistics about the conditions of labour which is overdue, and, as my hon. friend from Ahmedabad has pointed out, more than overdue. Fourthly, this Bill refers to a certain extent to the methods by which we should exercise a limited control over the working of private institutions, though that control would not be enough. We must from now lay down well and truly the foundations of a policy of nationalization and socialization of industry and commerce. For that purpose we require ample statistics. This Bill gives us just an opening for that purpose. We are determined, sooner than later, to introduce nationalization of banking and insurance and, unless a Bill of this kind is merely the thin end of the wedge, it will not bring me much satisfaction.

What are the limitations of this Bill? Sir we talk big about social welfare, about planning, about a hundred other similar things, but when it comes to a question of action, we fight shy. We do not supply ourselves with the necessary armament for that purpose. Planning is utterly impossible without statistics and more statistics. President Roosevelt brought out fresh New Deal legislation; day after day, he was changing the laws in the light of new material available, and that material consisted of statistics. When the Russians started their five year plan, they had figures before them of their enormous deficiencies and also made plans on the basis of figures as to how they could progress. In England when Sydney and Beatrice Webb started their statistical enquiries into social institutions, they had a meticulous and mathematical system of work and had an organisation called the "Fabian Society". This Bill has no such aspirations or pretensions.

Sir, to the extent that this Bill deals only with trade and commerce, it

does not satisfy even the least requirements of our people. I want to put one question. Where do newspaper companies come into the scheme of this Bill? It refers, in the course of "Definitions", to advertising consultants. Are advertising consultants only commercial institutions? Are they not industries? At any rate, a newspaper company sells its commodity and to that extent, therefore, it is a commercial concern. A newspaper company manufactures the newspaper and to that extent it is, therefore, an industrial concern too. Where does it come in? Why don't you categorically mention it in the Bill?

Sir, when the Press Commission under the authority given to it under the Commissions of Enquiry Act, sent out circulars to proprietors of newspapers, most of them sat silent and would not answer. We of the Journalists Federation protested strongly against the attitude of some of these companies and the Commission sent out a reminder to them a reminder that the Commission had the power to haul them up if they did not supply the statistics asked for. If companies supposed to be managed by intelligent men are behaving in this manner then what is the remedy?

There must be comprehensive, permanent legislation for collecting statistics and not merely for *ad hoc* purposes. As it is today, our Federation is tremendously handicapped in regard to the supply of figures. Suppose I go to the Commerce Ministry and ask it to let me have some figures so that, in the public interest, we may be able to present some authenticated documents to the Commission. Is the Government today in a position to give them? It is not, because it has no power to collect statistics and it does not take any such power even here. That is my complaint. I would respectfully submit that the distinction between "commercial" and "industrial" concerns is a distinction between Tweedledum and Tweedledee.

I agree with my friend from Ahmedabad, who is a Labour expert, that this Bill does not cover many of the aspects of the enquiry that ought to be undertaken when any public investigation is being made. It only mentions a few heads, I mean titular heads, nominal heads, but they are not effective or exhaustive.

There are certain other matters like the efficiency of administration of laws of this kind. We know that we pass laws, but most of them are not enforced nor are they enforceable. We have got for instance the Companies Act, laying down all kinds of penalties for doing this and for not doing that but it has been so badly administered by the provinces that the Central Government have now decided to take it over themselves. Under this Bill you are giving powers to the local Governments to collect statistics, so on and so forth. I can assure you, Sir, that the Provincial Governments are not reliable in such matters, not as reliable as the Central. This is the bitter experience of the working class of this country.

SHRI K B LALL (Bihar). But you represent Madras.

SHRI RAMA RAO. I represent every State in India.

As regards the rule-making powers I want them to be as comprehensive as possible, comprehensive in the sense of promoting the object of this Bill effectively.

Clause 10 has been already discussed at length by the previous speakers. You threaten penalties if certain information is revealed or obtained. When I want to see what my proprietor is doing in the course of his daily operations to cheat me, a workman, and I have a right to collect information from anybody in the world, even as I collect news from anybody in the world for my newspaper. Are you going to punish me for that? Are you going to punish the man who gives that information? Is it fair? Have you taken



[Shri Rama Rao.]

absolute powers and comprehensive powers, in the first instance, to compel proprietors to give you the statistics you want? You don't do it. On the other hand you will punish me for getting information through some friend who is willing to oblige me.

Sir, as regards the general question of the value or the need of statistics, not much need be said after the excellent suggestions made by my friend from Hyderabad. I plead for a national statistics policy. I would quote Bernard Shaw in this connection:

"The public services need a department of statistics and mathematics to which the statesman can submit for skilled examination all the correlations involved in legislative projects and current administrative practices, as well as to prepare such periodical booklets of information as the census and the statistical abstract. Official figures are not infallible, as they have to be collected and assembled by fallible mortals; but as there are degrees of fallibility we can select our statisticians by the method of imagining the possible extremes and determining the most eligible spot on the scale between them. The statesman should accept no figures from the doctors, the lawyers, the clergy, the bankers, the artisans, the labourers or the individual cranks until they are critically examined and correlated, corrected and endorsed by the department."

SHRI K. S. HEGDE: Is it from his plays?

SHRI RAMA RAO: Bernard Shaw has written things other than plays also.

Now what are you going to do with regard to the collected figures? Years ago a critic pointed out that there was an absolute lack of co-ordination in the preparation of Government publications. "Sankhya", the Journal of Statistics in India, once published an article, a devastating article, pointing out the limitations of official statistics.

I should be very glad if the Minister in charge of this Bill would explain to this House what he is going to do with the material he will collect? You do not mention anything about trained experts being employed to collate, to digest and to interpret the figures in the proper manner. Surely your own experts will not do. This is a very important job, requiring trained talent, trained capacity for interpretation, and an honest and impartial approach above all. Such an approach should be directed not only to commercial and industrial questions, but to the great national questions that are confronting us today. Except that the universities have got some statistics departments, the public takes very little interest in statistics. I believe, that in consonance with the new traditions of planned industry we are establishing, it is necessary that we should teach people to take interest in statistics—not merely to take interest but also to train themselves to make use of them. Of course, there are obvious limitations. Ours is a big country. There is tremendous illiteracy. We have no genuine feeling for figures. To such an extent does this evil prevail that if you ask an illiterate man, "What is your age?" he would reply, "It is 20 or 50 years." That is his sense of arithmetic. There must be accuracy, exhaustiveness and above all correct interpretation in the matter of figures.

Sir, we are determined on a socialist polity. What shall we do about it? At the same time we are determined to establish our rights in a non-violent manner. What are the means for it?

Dadabhoy Naoroji started the statistical vogue in this country and wrote his book on "Poverty and Un-British Rule". Wacha and Ranade followed. A master of facts at figures, Gokhale, waged royal battles in the Imperial Legislative Council, which drew the admiration of such a great student of public affairs as Lord Curzon. It was thus that he des-

troyed the fiction of "prosperity budgets." Today there is Professor Mahalanobis, a distinguished statistician. In the course of some of our recent political controversies, he has made a substantial and valuable contribution to political theory.

Karl Marx was the first man to understand the value of statistics in the modern industrial society. He analysed Victorian blue-books and told the public that so long as the capitalist system continued it would not be possible for the workman to get a square deal. When Sydney and Beatrice Webb started the "New Statesman", they touched on social questions in the same way as the chemist would test a problem in his laboratory. Again it was a case of sheer mastery of figures carefully collected and collated.

Finally the philosophical value of statistics has to be explained. It provides the explosive material to destroy old institutions and build new ones. I shall satisfy myself with a small quotation from that Oxford socialist professor, Mr. G. D. H. Cole: "My final moral, then, is that unless we want to convert the world into armed camps of impoverished peoples we must plan for plenty, that is, for increased consumption, in ways which are quite inconsistent with the retention of the capitalist system".

DR. RADHA KUMUD MOOKERJI (Nominated): Sir, I am afraid this House has been practically reduced to a debating society. I feel that I may be only talking in the air and none of my suggestions is going to be accepted by Government but with all that I feel that I have a duty to perform by throwing some light on some of the obscure points left in this Bill. With reference to clause 3 where the enumeration of the various subjects on which statistics are to be collected is made, my lawyer friends threatened that unless a subject is specified it cannot possibly appear legally in the list. So from that point of view I wish to supply certain gaps in the list of subjects on which statistics are

to be collected. My first point is that we want very urgently statistics showing the relationship of wages of labour to the output of labour. This is a very fundamental question that affects not merely the future of our industry but also the future of the relations between capital and labour on which depends so much of the future of our industrial development. I find that such a fundamental topic as the general question of finding out how the wages of labour are connected with the output is not there. We want accurate figures and statistics to show the relationship between wages of labour and its output. I will take an example from the Tata Iron and Steel industry. Their annual reports show that through all these years while there has been a decline of output to the extent of three times, there has been a rise in wages also to the extent of three times, so that while on the one hand the wages have been allowed to increase three times, the output of labour has dwindled three times, with the result that that industry is suffering.

SHRI S. P. DAVE: The figures are not correct.

DR. RADHA KUMUD MOOKERJI: I have taken them from the company's annual reports. I want that on such subjects the statistics should be absolutely accurate and precise.

Now, my second point is, there is another important omission, namely, the mention of labour-saving machinery. It seems that if you have to think of employment and also at the same time of industrial development, you will have to deal with two contradictory ideals. Industrial development means a growing employment of up-to-date machinery. As you all know, all machinery is labour-saving and therefore there are statistics to show that if you stand up for labour and its welfare, you cannot think liberally of introducing advanced type of plant and machinery for achieving greater industrial output. So the question is, "What is the ex-

[Dr. Radha Kumud Mookerji.]  
tent to which machinery will displace labour and create unemployment and whether the displaced labour can be transferred to other spheres of profitable employment?" Now, this is a very fundamental point in our industrial development, and therefore we should say from the Centre that these are the main subjects on which statistics are to be collected, because they are subjects which are very very comprehensive in their consequences.

Now, my third point is this. I know I am talking in the air and I do not like to carry on a theoretical discussion. Of course, I cannot imitate the ways of certain of my friends who are very enthusiastic and idealistic so far as the subject of legislation is concerned. Anyway, my third point is this. There is a way by which we can give directions as to the procedure by which statistics can be effectively collected. I think we might make it obligatory on the part of the concerns affected to show in their annual reports a collection of statistics which have a bearing upon some of these fundamental points. Just as the auditor says in the annual report, that here is a true picture of the state of the audited concern, I want a true picture to be given there in terms of the topics on which we want essential statistics pertaining to each industry. We must impose a legal obligation on the companies so that we can compel them to reveal a true picture of their conditions by giving facts and figures as regards all these main topics to which attention has been drawn rightly in the Bill before us.

Lastly I must congratulate the Government on the very liberal step that they are taking in placing the collection of statistics on a scientific footing and foundation. What I would only suggest is perhaps the other topics that I have mentioned are extremely fundamental in their character and they cannot be grouped under the general definition of the

topics which are supposed to be all-embracing. The hon. Minister will perhaps reply by saying that they are comprehended within this sweeping term, but I want a specific mention to be made of those points that I have just now mentioned. As I said, I know I am talking in the air.

SHRI RAMA RAO: It may be talking in the air, but we are talking sense.

DR. RADHA KUMUD MOOKERJI:  
I know there is no reality attached to whatever we say here. As you all know, this Bill has been thrown at us as an accomplished fact. I say this House is an integral part of the legislature and this House must be associated with every process of legislation if it is to be effective. Why was not this Bill introduced earlier? Why was not time given to us for making suggestions which could have been considered by Government? From a practical point of view, that is our fundamental grievance. The part that has been allowed to this House to play, I think, is against the spirit and letter of the Constitution. Therefore we have a right to be associated with all processes of legislation at every stage. What is the harm if the legislative process is undergone simultaneously in both the Houses? That will be really conducive to the welfare of the country and I think we shall be doing our duty if we are allowed to play our full part in the process of legislation. I think this House qualitatively is not at all inferior to the other House. If you really consider this House as the House of Elders, I ask, when are you hearing the voice of the Elders?

SHRI D. P. KARMARKAR: Mr. Deputy Chairman, Sir, the learned scholar who just preceded me ended on a little note of despair. He referred to talking in the air, but I think it will give him some comfort to feel that not only he but everyone who breathes will have to talk in the air. If there were no air, we would not be able to talk. I will not dwell on his other point regarding the propriety of

the Bill being brought here and all that.

I for myself feel that the discussion has been a very interesting one and the contributions that have been made have been impelled by one consideration—the basic consideration—the assumption that statistics are very important for economic development and that the powers that we derive under this Bill should be very efficiently exercised. I think there has been a general consensus of opinion on that point. On the basis of that consensus various useful suggestions have been made and I for one at the end of this debate stand better educated than I was when I started on this Bill in this House. Various suggestions have been made during the course of the discussion and as I said most of them have been useful. Now, my friend Prof. Ghosh, a well known economist, started with a little sense of . . .

**SHRI B. C. GHOSE:** I am not a Professor.

**SHRI D. P. KARMARKAR:** Anybody can claim to be an economist. I suppose he does not take it as a reflection. Well, he referred to the foreign concerns. Naturally, the position of foreign concerns in this country is a matter of deep concern to all of us. We on this side of the House do share that concern. He quoted from an article. It is not our common practice to take official note of every article that appears. Ultimately, the writer, unless he is purely objective, is bound to have his own views, but even in the article which he quoted I was strengthened to find that "In actual fact" that is how the paragraph reads, "the overwhelming majority of British firms are wholeheartedly behind the principle of progressive Indianization" progressive of course, "and in fact have been engaged in implementing this very policy on their own for a number of years before this became a political issue." Now, one cannot look upon this as a political issue as such. In a sense every issue partakes of political character. But this

shows that the foreign firms which are here are aware of the fact that there is a strong sentiment, natural sentiment, a justified sentiment in this country that there should be such a nationalization of interests—as I might call it—in the interests of the economic development of the country as a whole. We have invited participation in the economic sphere in this country of our own free voluntary will—untrammelled free will. We have, however, reserved to ourselves what I might say the active determination of the shape that that participation has to take. But in any scheme of foreign participation it goes without saying that except for technical reasons, it is not only in the interests of this country that there should be as much of Indianization as possible—of the personnel engaged in that particular industrial or commercial concern—but it is in the interest of those foreign concerns themselves to see that this policy is implemented because ultimately one has to live in a particular country and in a particular climate.

Sir, something was said of the recent effort made by our Ministry in respect of the collection of material regarding the personnel being employed by the foreign concerns. I should not like to dilate on that point because this would not be a proper occasion to go into that point in detail. I should say that without having specific legal powers to enforce our request for information, the response in any sense has not been disappointing. I found for instance that out of a total of about 1,300 firms as many as 1,191 returned replies and a few that remain will doubtless be subject to this law when it comes into force and they will have to give the information that we have asked for. It is not merely a matter of information. It concerns the whole outlook of our economic life.

And then again, as a matter of fact, my friend Mr. Parikh wished me to give a rough idea of the actual state of affairs as disclosed by the returns that were received. Now I should not like to tease the House by

[Shri D. P. Karmarkar.]

any very detailed figures. This might properly be a subject for separate discussion and it is an important enough subject for that. Now we find that as on 1st January 1952 the number of Indians in the category of Rs. 1,000 and over was 1,026 and as on 1st January 1953 it was 1,311—an increase of about 300, and as on 1st July 1953 the number was 1,368, i.e. about 60 more. This is on the technical side. On the managerial and administrative side the number of Indians as on the first date was 1,477, as on the second date 1,676 and as on the third date 1,768. Now regarding the non-Indians, on the technical side, on the first date it was 2,950, on the second it was 2,992 and on the third date it was 2,870. Then on the managerial and administrative side the number of non-Indians was 3,326, 3,290 and 3,186 for the three dates respectively. Well, it is not necessary to give all those details. I am only citing this to show that there is definitely an increasing trend towards employing Indian personnel on the whole. We certainly hope that without any coercive measures, all the foreign concerns operating here will see their way to maximise the number of Indians employed by them. We on this side of the House have no doubt that these foreign firms will respond accordingly. I am not diffident on this point. Ultimately one has confidence in one's own power and the Union of India is an independent and an untrammelled State. Now when that is accepted everything else follows. If something is necessary, something will have to be done. I have no doubt that something will have to be done at the proper time if things do not cure themselves. But in any sphere of our economic life, as in our political life, we have never taken to coercion. We have always taken to persuasion as our policy. My hon. friend Mr. Ghose wanted to know the Government's policy. I should say that if that policy has not been clear to him up till now, I am sorry I cannot.....

SHRI B. C. GHOSE: I did not say that. I said that the Government's policy was there but in view of the observations made in the journal I wanted the Government to restate that they were not going to be deflected from their policy by such implied or covert threat.

1 P.M.

SHRI D. P. KARMARKAR: Yes, that is why he is a little over-anxious about threats and all that. Threats do not affect us. We are conscious that the whole country is behind our effort. No cause is served unless it is backed by a determined will. Now, as I said earlier without any offence to the hon. Member, if the Government's policy in this matter is not clear to him, I am afraid it cannot be made clearer. There cannot be any doubt about that. In fact I belong to that category of people who believe that an unnecessary reiteration of the same thing every morning does disclose a certain element of weakness in us, as if to reassure ourselves that we are strong. We are strong.

SHRI RAMA RAO: What about *Sandhyavandan*?

SHRI D. P. KARMARKAR: My hon. friend knows that *Sandhyavandan* is necessary because *वृत्तापमहमकार्ष—मकायाया वाचा मनसा* is there. Therefore, *Sandhyavandan* is necessary. This is not like *Sandhyavandan*. The National Government today is not conscious of any weakness within us. Therefore no *Sandhyavandan* in this particular respect is necessary.

SHRI RAMA RAO: I do not do it myself.

SHRI D. P. KARMARKAR: I am unhappy that my hon. friend who preaches something to others does not do it himself.

Sir, I need not dwell much on that point.

My friend, Mr. Ghose, reinforced by Prof. Ranga, was very particular about the forms. I am sure it would

be anomalous if we were to go around and consult people on the forms to be used. Ultimately, a form has got to be evolved. It is simply an administrative act. We see for instance that whenever we propose to put down something in law, for every effort in that direction, there is always an effort to defeat it. When we ask for statistics, the purpose of the statistics is quite clear. Forms will have to be evolved. It was rather strange that Prof. Ranga should have suggested that such forms should be pre-published in the official gazette or somewhere else to consult the opinion of the people concerned. I am afraid that in such simple things prior consultation would be rather impractical and would defeat our purpose.

PROF. G. RANGA: Let him consult his experts.

SHRI D. P. KARMARKAR: Then as regards drafting, I have read and re-read the Bill after this point was made, and I think that this is one of the measures where the drafting has been most successful. I am afraid that the difficulties which some of my friends have expressed are rather due to a great degree, if I may say so respectfully, to their not reading the enactment itself properly. For instance, I was rather surprised to hear from my hon. friend, Mr. Hegde, as to why so many categories have been mentioned in clause 2(b).

He says, "Why is it that these specific instances are mentioned? Better omit them." The difficulty was that there was a doubt. A commercial concern is a commercial concern. Similarly one may argue with plausibility that a concern engaged in the business of advertising consultants may not be a commercial concern. Therefore we chose points where there might be least doubt and therefore, to place matters beyond all doubt we said, here are these 10 categories about which something could be said that they may not be called commercial concerns. We did not want them to escape. So we said:

"'Commercial concern' means a public limited company or a co-operative society or a firm or any other person or body of persons engaged in trade or commerce etc."

Is it a concern engaged in trade or commerce? Yes, it is a commercial concern. About one of the categories there might be a question mark. We did not want the question mark there. We wanted the matter to be cleared. Therefore it is that we have sought to include them. If I were to follow the advice given now and omit these, we should find ourselves in a court of law who may say that these are not commercial concerns. To remove any such possibility, we have included them.

There was another point made regarding the categories under welfare of labour. Why not specify them? There is a limit also to specification. We have included under the category (c) all that we considered to be relevant in so far as labour welfare was concerned. My friend over there who has had rather bitter experience of industrial Tribunals wants perhaps this act to be serviceable also in the case of industrial disputes but there is another law relating to industrial disputes. We want this to be a complete register of trade and industry in India. If experience proves that these categories are not sufficient, one or two more might be added and certainly we shall come to this House then.

Then something was said about sub-clause (2) of clause 9. How is that necessary? It says:

"Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company, etc."

I shall not dilate on this. There have been many measures in which we have incorporated this. There has been a definite effort in a two-fold direction, in this and in other provisions that are incorporated and Parliament has agreed to them in other statutes as well. The idea is, whoso-

[Shri D. P. Karmarkar.]

ever is the ostensible manager should not escape on the plea that 'I am simply an ostensible manager'. That is one effort. If you are the manager, if you are directly liable, *prima facie* you are responsible for it unless you are covered by the exception. Secondly, whosoever is not a manager may not be responsible, but if either wilfully or due to neglect he is really responsible, he should also be liable. It is shutting the door from both sides. I am afraid any attempt at whittling the provisions of this section would only enable some persons to escape the penalties of law. I would not like to dilate much further on that particular point.

Then again there was something said about publication. I am afraid there again the confusion arose from the fact that what we said was that if a particular concern or firm gives us confidential information, it is in confidence. One should not take out copies of such information. Tomorrow if we want it, we may make a law that such and such person shall divulge all information if we like. But then in a law of this kind we do not feel it necessary to pick out instances or individuals concerned. There may be an attempt at prying into the secrets of others; it would not in any way conduce to the well being of the country or the industrial or commercial stability of the country if attempts were to be made to pry into individual concern's secrets and therefore we have accepted that, and there also we have said that if the person concerned is satisfied about the necessity and they agree, we shall also be in a position to publish everything about that particular concern. But normally it does not affect our power to publish anything else excepting this. That is to say, cumulative collection of statistics, as have been there in our Overseas Trade or Industrial Monthly Journal of Statistics giving all our prices and things like that.

Then again about Administration my friend Mr. Parikh referred to

harassment. I am not aware of any harassment, where our statistical powers have been complained against.

SHRI C. P. PARIKH: Hundrea instances.

SHRI D. P. KARMARKAR: I should like him to give five. He has not given one in the course of 2 years. There is a sense of harassment which is real harassment and there is something which one feels as such. There might be difference between these two categories. Whenever you come under any control, it is harassment, it is harassment if you were asked to give information, it is harassment if you ask people to sell things at moderate rates, it is harassment if you are asked not to hoard, it is harassment to be true to the country. Now we do not look upon this as harassment. We consider control to be absolutely in the interests of the economic life of the country. If there is the least sense of harassment about any single order, Government holds itself responsible for it. There is Parliament which is a ventilating ground for such harassment and if there is any unnecessary harassment it is as much for Government as for the people to see that the person who is responsible for unnecessary harassment of any type is properly dealt with. My hon. friend, if he were to bring such cases to the notice of Government and if even then we do not go into it, and if he feels aggrieved at the neglect, then he has every right to complain. But when the Bill comes up, it creates a very bad atmosphere for the success of the measure if you speak of harassment. Sometimes it is notional harassment. It may be imaginary harassment. It may be just a psychological feeling of some persons that they are being harassed. But in fact, this is such a simple, innocuous measure—almost like an anti-cholera or anti-plague vaccine. You cannot say this Bill is likely to cause harassment. Of course, anything can be harassment. A tongawala may feel it is harassment to be asked to go with a light

on. In many cases an ill-mannered official or an ill-intentioned official can be harassing; there are instances like that. But that is no reason why a law should not be passed, because there may be harassment. So I was not able to appreciate that there has been any serious sense of harassment in respect of the statistical laws of this country.

Mr. Hegde said that the law should be effective. I think there can be no two opinions on that. When we come to the House, and take up the time of the House, we do want it to be effective. There is no question of its being ineffective. But in a matter like this, there should be unanimity of opinion about the desirability of the law. I am very grateful for his suggestion that we should be effective because that strengthens our hands.

My friend from Saurashtra asked the question, "What is confidential?" Well, you know Pontius Pilate asked the question, "What is truth" and he paused for an answer. My friend did not pause for an answer. Of course, confidential means something in respect of which confidence should be kept. That is a simple thing. Confidence should be kept whether it be by an individual or by Government. We cannot talk in the market-place on what has been furnished to Government. Government should maintain its prestige and Government has to retain the confidence which the people have reposed in them. Ultimately Government cannot work at random. Because people have placed confidence in them, that confidence should not be abused. It is not for us to abuse that confidence by divulging everybody's confidence. This is, after all, a sort of ventilating Act. We want to collect information and present it to the public, with a possible exception, namely, the particular firm's details.

Mr. Rama Rao was worried about where newspapers came in. (*Inter-ruption.*) Whether he was worried or

whether he was not worried, he wanted to know where newspapers came in. Newspapers are clearly commercial concerns. Where there is no altruism, it is a commercial concern. Newspapers, for instance, engage themselves in buying and selling. Obviously they are absolutely commercial concerns. Mr. Rama Rao's remarks might raise some lingering doubts in the minds of some people whether newspapers are commercial concerns or not. Actually it is our grievance that journalism is getting more and more commercial now, and there need be no lingering doubts in the minds of anyone. Newspapers are clearly commercial concerns.

Mr. Rama Rao had another difficulty also. After all this information—of the cart-loads or wagon-loads of it—have been collected what do you do with it? Well, our wagon position is rather difficult and we do not want to tax the Transport Ministry's resources too much by asking for unnecessary details. He has asked, what are you going to do with all this information? Well, statistics can serve one purpose, and that is to concentrate information by means of collection of details and their analysis and then publication, for the public good, of the results of such analysis. So while we shall take care not to ask for wagon-loads, when the information comes to the Ministry, we shall take the best possible care to analyse it and publish it for the economic good of the country.

AN HON. MEMBER: Time is up.

SHRI D. P. KARMARKAR: Since the time is up, as I have been just now reminded, I would like to say finally—finally in the real sense and not as a penultimate observation—that so far as industrial statistics are concerned, I think they are fairly satisfactory.

We have got the commercial overseas trade publications and we have not had any serious complaints about



[Shri D P Karmarkar]  
that They do require a little improvement by way of giving some more details. We have got the monthly statistics of industry which has been very helpful to us and we have not received many complaints about that. So, Sir, whereas we shall prize all valuable suggestions, including the suggestion to continue the debate tomorrow, I should like to say

SHRI H P SAKSENA (Uttar Pradesh) No, Sir, I oppose it. We got off fifteen minutes earlier yesterday and so there is no harm in continuing the debate for some more time today.

MR DEPUTY CHAIRMAN Order, order.

SHRI D P KARMARKAR I shall conclude by saying one last sentence which will satisfy both those who want the debate to be continued and those who want to put a stop to it.

I was on the point that in giving its full support to this measure the House is really promoting the cause of economic research as also economic thought.

Sir, I have really nothing more to add and, therefore, I should like to conclude by saying that I appreciate very much the useful suggestions made in this House. I have one

small humble observation to make to my learned senior over there, Dr. Radha Kumud Mookerji, that in a discussion of such a nature, very useful and educative all opinions expressed on the floor of this Parliament always receive the fullest consideration. Sometimes, we have to face the alternative of accepting or not accepting in some cases and in some other cases we do not accept but let him not think that we have treated the discussion as something in the air, though we heartily believe that all of us do have a lot to do in the air. Thank you, Sir.

MR DEPUTY CHAIRMAN The question is

"That the Bill to facilitate the collection of statistics of certain kinds relating to industries, trade and commerce, as passed by the House of the People, be taken into consideration."

The motion was adopted.

MR DEPUTY CHAIRMAN. We shall take up clause by clause consideration of the Bill tomorrow. The House stands adjourned till 8-15 A.M. tomorrow.

The Council then adjourned till a quarter past eight of the clock on Thursday the 27th August 1953.